



SUBJECT TO HIMMATNAGAR JURISDICTION ONLY

NALIN LEASE FINANCE LIMITED

CIN : L65910GJ1990PLCO14516

NLFL/201718/BSE815

August 14, 2018

To,
The Manager,
Listing Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

Scrip Code: - 531212

Respected Sir,

**Sub: - Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015,
Submission of Annual Report -Financial Year 2017-18.**

With regard to the captioned subject please find enclosed herewith Annual Report for the Financial Year 2017-18 of the Company prepared as per the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Kindly take the same on record and acknowledge the receipt.

Thanking You,

YOURS FAITHFULLY,

FOR NALIN LEASE FINANCE LIMITED

N. K. Patel

NIKUL K PATEL
CHIEF FINANCIAL OFFICER



Encl: as above

27th Annual Report
2017-2018



NALIN LEASE FINANCE LIMITED

CIN: L65910GJ1990PLC014516



Board and committees – Nalin Lease Finance Limited

The Board of Directors

Narendrakumar Dalsukhdas Shah	-	Chairman (Independent Director)
Dilipkumar Nalinkant Gandhi	-	Managing Director
Harsh Dilipkumar Gandhi	-	Wholetime Director
Pallavi Dilipkumar Gandhi	-	Wholetime Director
Navinchandra Chandulal Soni	-	Independent Director
Samirkumar Kantilal Shah	-	Independent Director

Company Secretary

Swati Ajay Shah

Chief Financial Officer

Nikulkumar Kantibhai Patel

Practicing Company Secretary

Amrish N. Gandhi

Statutory Auditors

M/s Paresh Thothawala & Co.
Chartered Accountant
401, Ashman, 6, Kalpana Society,
Navrangpura, Ahmedabad
Gujarat – 380009.
Ph: - 079-2646626.

Registrar & Share Transfer Agent

LINK INTIME INDIA PVT. LIMITED,
C-101,247 Park, L.B.S.Marg,
Vikhroli (West), Mumbai 400 083
Phone: +91-22-49186000
Fax: +91-22-49186060

Board Committees

Audit Committee
Stakeholder Relationship Committee
Nomination and Remuneration Committee

27th Annual General Meeting

Day : Tuesday
Date : 14th August, 2018
Time : 4.00 p.m.
Venue : Company Registered Office

Registered Office:

NALIN LEASE FINANCE LIMITED

Ground Floor, Gandhi Nursing Home Bldg,
Dr.Nalinkant Gandhi Road,
Himatnagar, Gujarat 383001 In

Phone No. +91 2772 241264, 2422264

CIN: L65910GJ1990PLC014516

E-mail: nalinlease@yahoo.co.in

www.nalinfin.co.in

**Content:-**

Sr. No.	Particulars	Page No.
1.	Notice of Annual General Meeting	03
2.	Directors Report	09
3.	Auditors Report	43
4.	Balance Sheet	51
5.	Accounting Policies & Notes on Account	53

Notes:

1. All Correspondence relating to share of the company may please be addressed to be Company's registered office.
2. Members are requested to bring their copy of Annual Report to the meeting, as copies of report will be distributed at the meeting.
3. Members seeking further information about the accounts and/or operation of the company are requested to send their queries to the company at its registered office at least 10 Days before the date of meeting.



NOTICE TO MEMBERS

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF NALIN LEASE FINANCE LIMITED WILL BE HELD AT 04.00 P.M. ON TUESDAY, THE 14TH DAY OF AUGUST, 2018 AT THE REGISTERED OFFICE OF THE COMPANY AT GANDHI NURSING HOME BLDG DR.NALINKANT GANDHI ROAD HIMATNAGAR – 383001, TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. PALLAVI DILIPKUMAR GANDHI, (DIN: 00339639) retiring by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. PARESH THOTHAWALA & CO., Chartered Accountants (Firm Registration No. 114777W) as Auditors to hold office from the conclusion of the Twenty Seventh Annual General Meeting to the conclusion of the Twenty Eighth Annual General Meeting and to fix their remuneration.

Registered Office:-

Ground Floor,
Gandhi Nursing Home Bldg,
Dr. Nalinkant Gandhi Road,
Himatnagar - 383001.
CIN: - L65910GJ1990PLC014516

**BY ORDER OF THE BOARD OF DIRECTORS
FOR, NALIN LEASE FINANCE LTD.**

**NARENDRAKUMAR D SHAH
CHAIRMAN**

DIN : 00314044

Place:- Himatnagar

Date: 22/05/2018

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies, in order to be valid, must be duly filled in, signed and deposited at the Registered Office of the Company at least 48 hours before the commencement of the Meeting. A form of proxy is enclosed.
2. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The members are requested to intimate their change of address, if any, immediately to the Company & its Registrar And Transfer Agent (RTA) Viz. **Link Intime India Pvt. Ltd.**, C-101,247, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Phone No- 022 - 49186270, quoting their Folio No. or Client ID No.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.



5. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice. The Director has furnished the requisite declaration for her re-appointment.

Name of the Director	Relationship between director inter-se	Brief details of Educational Qualification & Experience in Functional area.	List of other Directorship/ Committee membership in other Public Companies as on 31st March, 2018
Mrs. Pallavi Dilipkumar Gandhi (DIN: - 00339639) (Shares: 2,25,177)	Wife of Mr. Dilipkumar Nalinkant Gandhi	Education Qualification: B.A. Experience : 27 Years	<ul style="list-style-type: none">➤ Nalin Services Limited➤ Nalin Consultancy Services Limited➤ Ameer Finance Limited

8. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) to every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their depository participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ LinkIntime.
10. Members who have not registered their e-mail addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. Pursuant to the Provisions of Section 91 of Companies Act, 2013 and as per Clause 16 of Listing Agreement, The Register of Members and Share Transfer Books of the Company will remain closed from 11th August, 2018 to 14th August, 2018 (both days inclusive) for the purpose of Annual General Meeting of the Company.



12. The process and manner for **remote e-voting** are as under: -

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.



- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Amrish N. Gandhi <amrishgandhi72@gmail.com> with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
5. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
6. Mr. Amrish N Gandhi, Practicing Company Secretary [FCS No. 8193] and failing him Mr. Samsad A Khan, Practicing Company Secretary [ACS No. 28719] has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
8. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



9. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of www.nalinfin.co.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange (BSE Limited).

Contact Details	
Company	NALIN LEASE FINANCE LIMITED Regd. Office: Ground Floor, Gandhi Nursing Home Bldg, Dr. Nalinkant Gandhi Road, Himatnagar - 383001. (Sabarkantha) Gujarat CIN: L65910GJ1990PLC014516
Registrar and Transfer Agent	LINK INTIME INDIA PVT. LIMITED, C-101,247 Park, L.B.S.Marg, Vikhroli(West), Mumbai 400 083, Phone: +91-22-49186000, Fax: +91-22-49186060
E-Voting Agency	NSDL E-mail ID: evoting@nsdl.co.in . Toll Free No.:- 1800-222-990
Scrutinizer	CS Amrish N Gandhi, Practicing Company Secretary Phone No.: 079-40323014 Email : amrishgandhi72@gmail.com

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present the Twenty Seventh Annual Report together with the audited financial statements of the Company for the year ended 31st March, 2018.

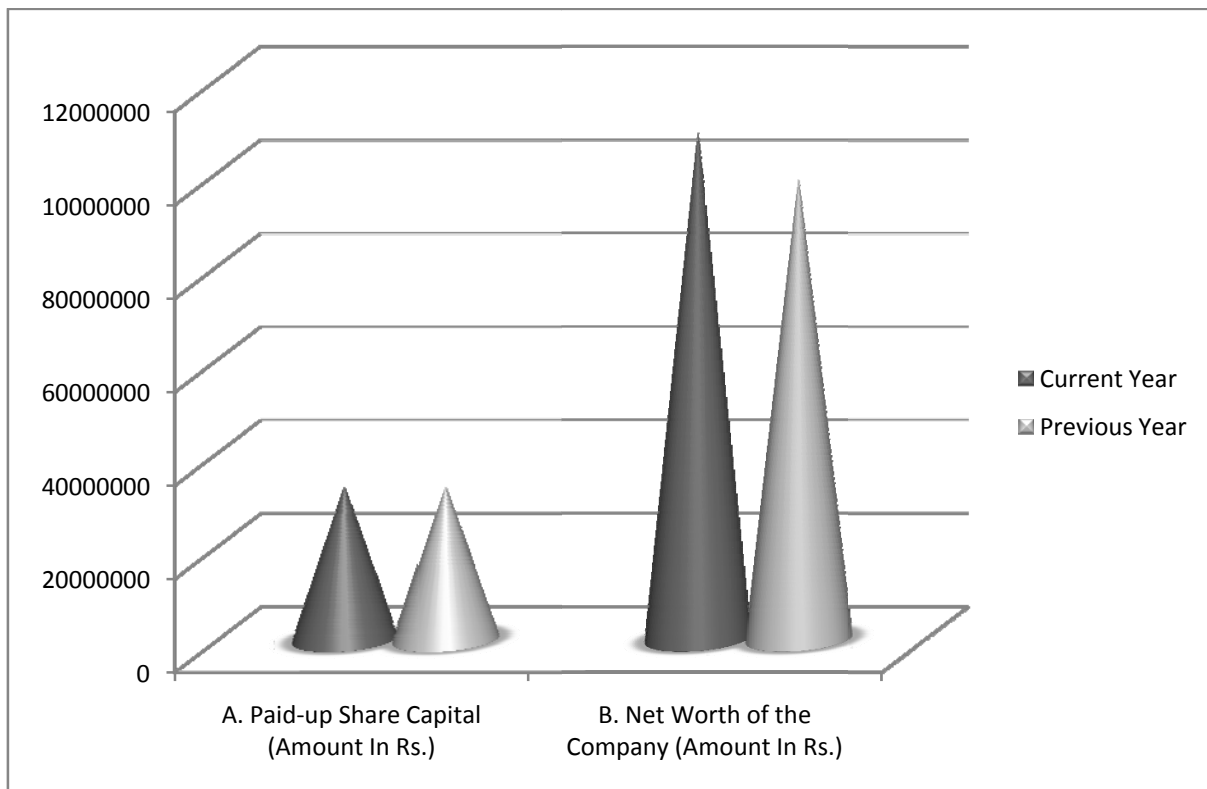
FINANCIAL RESULTS

(Amount in Rs.)

	Particulars	Standalone	
		Current year ended 31.03.2018	Previous year ended 31.03.2017
	Gross Income	3,53,83,439	2,72,77,814
Less	Expenses	2,11,61,804	1,36,16,778
	Profit before Tax	1,41,20,646	1,36,61,036
Less	Tax Expenses	39,91,201	43,96,493
	Profit after Tax	1,01,29,445	92,64,543
	Earnings Per Share (Rs.)	3.11	2.84
	Reserves & Surplus	7,59,57,990	6,58,28,545
	Fixed Assets (Net)	27,88,394	39,04,770
	Borrowings	7,38,30,234	3,75,63,270

SHARE CAPITAL & NET WORTH

The Authorised and Paid up Share Capital of the Company stood at Rs. 3,75,00,000 and Rs. 3,26,20,000 respectively. The Net Worth of the Company is Rs. 10,85,77,990 as against Rs. 9,84,48,545 in the previous year, registering an increase of 10.29%.



**DIVIDEND7**

No dividend is being recommended by the Directors for the year ending on 31st March, 2018. As the Board of Directors wants to plough back the profit in the business.

THE AMOUNT IF ANY PROPOSED BY THE BOARD TO CARRY TO RESERVE

During the year, the Company proposes to transfer an amount of Rs. 20,25,889 to Statutory Reserve.

COMPLIANCE WITH RBI GUIDELINES

Your Directors confirm that the Company has not invited or accepted any deposits from the public and the Company has complied with all the applicable regulations of the Reserve Bank of India as on March 31, 2018.

CORPORATE GOVERNANCE

Your Company upholds the standards of governance and is compliant with the Corporate Governance provisions as stipulated by RBI. The Company's core values of honesty and transparency have since its inception been followed in every line of decision making. Setting the tone at the top, the Board of Directors advocates good governance standards. Your Company has been built on a strong foundation of good corporate governance which is now a standard for all operations across your Company.

Board of Directors

The Board of your Company has six Directors as on the date of this report as detailed below:

Category	Name of Directors
Executive Directors	Mr. Dilipkumar N Gandhi, Managing Director
	Mr. Harsh D Gandhi, Whole-Time Director
	Mrs. Pallavi D Gandhi, Whole-Time Director
Non - Executive Independent Directors	Mr. Narendrakumar D Shah (Chairman)
	Mr. Navinchandra C Soni
	Mr. Samirkumar K Shah

All the Directors have varied experience and specialized knowledge in various areas of relevance to the Company.

The Board of Directors consists of members appointed as per the provisions of the Companies Act, 2013.

Mrs. Pallavi Dilipkumar Gandhi (DIN: 00339639) will retire at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. The Board of Directors recommends the reappointment of Mrs. Pallavi Dilipkumar Gandhi as Director of the Company.

A) Changes in Directors and Key Managerial Personnel during the year 2017 – '18

There was no change among the Board of Directors during the year under report. Mrs. Pallavi Dilipkumar Gandhi was reappointed as Whole-Time Director for a further term of 5 years with effect from 1st August, 2017. There was also no change among the Key Managerial Personnel during the year under report.



The following persons are the Key Managerial Personnel of the Company:

Sr No.	Name of Person	Designation
1.	Mr. Dilipkumar N Gandhi	- Managing Director
2.	Mrs. Pallavi D Gandhi	- Wholetime Director
3.	Mr. Harsh D Gandhi	- Wholetime Director
4.	Mrs. Swati A Shah	- Company Secretary
5.	Mr. Nikulkumar K Patel	- CFO

B) Woman Director

As per the provisions of Section 149 of the Companies Act, 2013, the Company shall have at least one woman Director in the Board. Your Company has Pallavi D Gandhi, as Woman Director on the Board.

C) Declaration by Independent Director(s) and re- appointment, if any

The Company has three Independent Directors on the Board. The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 to the effect that he meets the criteria of independence as laid down in Section 149 (6) thereof.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 in respect of Directors/employees of your company is given in **Annexure I** to this report.

Number of meetings of the Board of Directors

5 meetings of the Board of Directors were held during the Financial Year 2017– '18 on the following dates:

Sr No.	Date of Board Meeting
1.	29 th May 2017
2.	06 th June 2017
3.	14 th July 2017
4.	12 th October, 2017
5.	19 th January 2018

The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

The Composition of the Board of Directors and Category of Directors during the financial year under report and the number of Directorships of each Director are given below.

** The Independent Directors do not hold any equity shares in the Company or in any of its group Companies.*



Name of the Director	Nature of Directorship	No. of meetings attended	No. of other Directorship etc (As per last declaration made to the Company)		
			Public	Pvt.	Firms/LLPs
Mr. Narendrakumar D Shah	Non-Executive (Chairman) Independent*	5	0	1	3
Mr. Dilipkumar N Gandhi	Executive (Managing Director)	5	3	1	1
Mrs. Pallavi D Gandhi	Executive (Whole time Director)	5	3	1	0
Mr. Harsh D Gandhi	Executive (Whole time Director)	5	3	1	0
Mr. Navinchandra C Soni	Non-Executive (Independent* Director)	5	0	0	0
Mr. Samirkumar K Shah	Non-Executive (Independent* Director)	5	0	0	4

The Board meets regularly to discuss, review and appraise the strategic performance of the Company including the achievement of its strategy; make sure that procedural and compliance matters are properly dealt with; monitor financial performance; articulate the risk appetite and review the overall control framework. The Board closely monitors the overall functioning of the Company with a view to ensuring adherence to the principles of Corporate Governance that it has laid down.

Committees of the Board of Directors

The Board has delegated some of its powers to its Committees. These committees monitor matters that come under their mandate, in more detail. These committees are:

i. Audit Committee

The Company has constituted a qualified Audit Committee as required under Section 177 of the Companies Act, 2013 and Para 68 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

As per Sec 177(4) of the Companies Act 2013 the terms of reference to be specified in writing by the Board shall inter alia include:

- i. The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- ii. Review and monitor the Auditors' independence and performance, and effectiveness of Audit process.
- iii. Examination of the financial statement and the Auditors' Report thereon.
- iv. Approval or any subsequent modification of transaction of the Company with related parties.
- v. Valuation of undertakings or assets of the Company wherever it is necessary.
- vi. Evaluation of internal financial controls and risk management systems

The main responsibilities of the Audit Committee are:

1. Review of the financial statements (including interim financial statements) and oversight of the financial reporting process with a view to ensuring transparency and

accuracy of financial reporting and disclosures, prior to their submission to the Board for approval;

2. Review of the scope of work of the Auditors', prior to commencement of the audit and, holding appropriate discussions on the matters that arose during the audit;
3. Review of the robustness and effectiveness of the internal control systems in place in the Company.
4. Recommending to the Board the appointment, reappointment, and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee;
5. Reviewing the effectiveness of internal audit including the independence of the internal audit function, the adequacy of staffing and the coverage, scope and frequency of audits;
6. Review the functioning of whistle blower mechanism.

The Audit Committee is comprised of:

Name of the Director	Nature of the Directorship	Designation	No of Meetings attended
Mr. Navinchandra C Soni	Independent (Non-Executive)	Chairman	4
Mr. Narendrakumar D Shah	Independent (Non-Executive)	Director	4
Mr. Dilipkumar N Gandhi	Executive	Managing Director	4

Four meetings of the Audit Committee were held on 29th May 2017, 14th July 2017, 12th October 2017 and 19th January 2018 during the Financial Year 2017-'18.

ii. Nomination and Remuneration Committee

As per the provisions of Sec.178 of the Companies Act, 2013 and the RBI guidelines, the Company has constituted the Nomination and Remuneration Committee (NRC) with the following members:

Name of the Director	Nature of the Directorship	Designation	No of Meetings attended
Mr. Navinchandra C Soni	Independent (Non-Executive)	Chairman	1
Mr. Narendrakumar D Shah	Independent (Non-Executive)	Member	1
Mr. Samir K Shah	Independent (Non-Executive)	Member	1

One Meeting of the NRC was held on 14th July 2017 during the financial year 2017 – '18.

iii. Stake Holders Relationship Committee

As per the provisions of Sec. 178(5) of the Companies Act, 2013, the Company has constituted the Stake Holders Relationship Committee consisting of the following members:

Name of the Director	Nature of the Directorship	Designation in the Committee	No of Meetings attended
Mr. Navinchandra C Soni	Independent (Non-Executive)	Chairman	4
Mr. Narendrakumar D Shah	Independent (Non-Executive)	Member	4
Mr. Dilipkumar N Gandhi	Executive	Member	4



Four meetings of the Stake Holders Relationship Committee were held on 29th May 2017, 14th July 2017, 12th October 2017 and 19th January 2018 during the Financial Year 2017- '18.

Significant and Material Orders Passed by the Regulators or Courts

No significant and material orders were passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

Frauds reported to the Audit Committee by Auditors

There was no reporting of frauds by Auditors under Sub Rule (3) of the Companies (Audit and Auditors) Rules 2014.

Disclosures

Related Party Transactions

Particulars of contracts or arrangements with related parties referred to in subsection 1 of section 188 of the Companies Act, 2013 in the prescribed form (AOC-2) is given as **Annexure II**

Vigil Mechanism/ Whistle blowing Policy

Your Company has put in place a formal whistle blowing policy/vigil mechanism for its directors, employees, customers and other stakeholders as per the requirements of the Companies Act, 2013. The policy has clearly laid down its scope and applicability, procedure to be followed for whistle blowing including the e-mail address and telephone numbers of the senior officers handling the matters escalated to them through the whistle blowing mechanism.

The Policy provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The details of Policy are available on our website www.nalinfin.co.in.

Fair Practices Code

The Company has framed a Fair Practices Code (FPC) as per the guidelines issued by Reserve Bank of India in this regard. The FPC is also reviewed at frequent intervals to ensure its adequacy and appropriateness. The FPC is available on our website www.nalinfin.co.in.

Customer Grievance

The Company has a dedicated Customer Grievance Cell for receiving and handling customer complaints and ensuring that the customers are treated fairly and without bias at all times. All issues raised by customers are dealt with courtesy and resolved expeditiously.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not made investments not permitted under sub section (1) of section 186 of the Companies Act, 2013. The other provisions of section 186 of the Companies Act, 2013 are not applicable to the Company since it is a Non-Banking Finance Company, as per the provisions of Companies (Meeting of board and its powers) Rules 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors confirm that:

- i. In the preparation of the Annual Accounts, applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- ii. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view



of the state of affairs of the Company at the end of the Financial Year and of the profit or loss made by the Company for that year.

iii. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They had prepared the Annual Accounts on a going concern basis.

v. The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT – NIL

STATUTORY AUDITORS

The Statutory Audit Report does not contain any qualifications, reservations or adverse remarks.

M/s. PARESH THOTHAWALA & CO., Chartered Accountants (Firm Registration No.102245W), the Statutory Auditors of the Company, will be eligible for appointment in ensuing general meeting.

Your Company has received letter from M/s. PARESH THOTHAWALA & CO, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made there under and that they are not disqualified for such appointment.

Your Directors recommend the appointment of M/s. PARESH THOTHAWALA & CO, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 28th Annual General Meeting of the Company to be held in the calendar year 2019

SECRETARIAL AUDITORS

Your Directors have appointed Amrish Gandhi & Associates, Company Secretary, 504, Shivalik Abaise, Nr. Tapan Hospital, Opp. Shell Petrol Pump, Anand Nagar Road, Satellite, Ahmedabad-380015, as Secretarial Auditors for the financial year 2017-18.

The Secretarial Audit Report for the financial year ended March 31, 2018 is attached to this report as **Annexure III**.

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

EXTRACT OF ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 is attached to this report as **Annexure IV**



INTERNAL FINANCIAL CONTROLS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorised use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management.

Internal Audit is carried out in a programmed way and follow up actions are taken to rectify all audit observations.

Statutory Auditors of the Company has confirmed the adequacy of the internal control procedures, in their report.

RISK MANAGEMENT

Overview

The Company is exposed to risks that are inherent to the industry in which it operates. To address the risks, the Company has put in place comprehensive risk management processes that ensure that the risks are identified and managed on a timely basis.

Risk Materiality

The company's main business is providing retail loans to customers, in the middle and low income class. Thus the foremost risk is credit risk. Exposures to Operational risk and market risk are also important.

a. Strategic risk: Faulty business strategy and inadequate implementation of strategies is the major contributor to strategic risk. These risks originate from the choices we make on markets, business mix, resources that can potentially impact our competitive advantage in the medium and long term. Internal and external consultation, impact study and end-to-end planning are effective in controlling risks.

b. Credit Risk: Credit risk is the potential that the borrower or the counterparty may fail to meet its obligations in accordance with the agreed terms, the Company has instituted well defined credit administration process and monitoring procedures.

c. Interest rate risk: Re-pricing mismatch risk is the main type of interest rate risk for the Company. The interest rate risk is managed through the credit administration process.

d. Operational risk: Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. The organisation structure is designed to establish embedded administrative controls and supervision. Segregation of duties ensures that checks and balances are in place which in turn ensures professionalism and integrity in the conduct of business and operations. Preventive vigilance activities and regular internal audits are adopted to strengthen the monitoring and control of operations. Training programs are conducted to create awareness among employees on operational risks of the Company and the steps to be taken to mitigate the same.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is attached and forms an integral part of the report of the Board of Directors.



ACKNOWLEDGEMENT

Your Directors are grateful to the Central Government, the State Government, the Reserve Bank of India, the Registrar of Companies, Gujarat, Securities and Exchange Board of India and other Regulatory Authorities, Bankers, Financial Institutions, Vendors and Customers for their continued support, co-operation and guidance.

We would like to express our deep sense of appreciation for the hard work and efforts put in by the employees at all levels.

We would like to thank our shareholders for their cooperation and assistance during the year under report.

Place: - Himatnagar
Dated: -22.05.2018

For and on behalf of the Board

sd/-
Dilipkumar Nalinkant Gandhi
Managing Director
DIN: 00339595



Declaration by the Managing Director

To,
The Board of Directors
Nalin Lease Finance Limited,
Gandhi Nursing Home Bldg
Dr Nalinkant Gandhi Road
Himatnagar -383001

Sub.: Declaration by the Managing Director under Para D of Schedule V of SEBI (LODR) Regulations, 2015

I do hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the 'Code of Conduct for Directors and Senior Management Personnel', for the financial year ended March 31, 2018.

For, **NALIN LEASE FINANCE LIMITED**

Date: May 22, 2018
Place: Himatnagar

DILIPKUMAR NALINKANT GANDHI
Managing Director
DIN: 00339595

CEO/CFO certification

To,
The Board of Directors
Nalin Lease Finance Limited
Himatnagar

Dear members of the Board,

We, Dilipkumar Nalinkant Gandhi, Managing Director, and Nikulkumar Kantibhai Patel, Chief Financial Officer of Nalin Lease Finance Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.



4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
- a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
- a. that there are no significant changes in internal control over financial reporting during the year;
 - b. that there are no significant changes in accounting policies during the year; and
7. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Place: Himatnagar
Date: 22/05/2018

Mr. Dilipkumar N Gandhi
Managing Director

Mr. Nikul K Patel
Chief Financial Officer

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Economic Outlook**

Towards the end of the Financial Year 2017-'18 (FY 18) global growth indicators showed signs of stronger activity in most advanced economies (AEs) and easing of recessionary conditions in commodity exporting large emerging market economies (EMEs). Japanese economy also shows signs of revival in the form of falling unemployment, improving business sentiment on fixed investment, and rising exports helped by the depreciation of the yen. The Chinese economy also shows momentum in growth due to supportive macroeconomic policies, surging credit growth and a booming property market. But there are concerns about financial stability and capital outflows.

In Brazil, authorities initiated reforms to pull the economy out of recession even though hardening commodity prices are a threat to the reforms. Russia is benefitted by their improvement in crude prices and the outlook for 2018 is positive.

On the domestic front, the industrial production has steadily improved in recent months and retail sales remain robust. However, political risks remain high. Agriculture expanded strongly year-on-year after two consecutive years of growth of below one per cent. In the industrial front, except in electricity generation, there was a significant loss of momentum across all categories. The services sector also slowed. Public administration defences and other services cushioned this slowdown. Several indicators are pointing to a modest improvement in the macroeconomic outlook.

Inflation also continues to be under control even though the announcements of large farm loan waivers may be a threat to maintaining the present trend. The implementation of the GST is not expected to have a material impact on overall inflation.

The implementation of proposals in the Union Budget should attract private investment as the business environment improves with structural reforms, including the GST, the Insolvency and Bankruptcy Code, and the abolition of the Foreign Investment Promotion Board. Strengthening external demand will likely to play a more decisive role in supporting the domestic economy.

Industry Structure and Development**Gold Loan Sector**

The Gold loans in India have been in existence since centuries, in the form of unorganized institutions such as money lenders and pawn shops, delivering immediate and easy access to loans against gold jewellery, gold coins or gold bars as security. The practice of pawning, redeeming and re-pawning of gold is very prevalent from ages ago. Until a couple of decades ago, the whole market was covered by unorganized private players who would give loan against gold at usurious interest rates. The unorganized players still command a major portion of the market.

However, since 2008, the organized financial institutions and banks have changed the market dynamics. Financial institutions have introduced innovative lending against gold at cheaper costs and provide better customer service. The gold loan market has emerged as one of the



most reliable and convenient source of credit for low-income individuals and households, compared to other sources of credit available such as loans from Microfinance Institutions, personal loans, loans from self-help groups or community borrowing. Gold loans are available with minimal procedural and documentation requirements. They can be used for various purposes unlike micro finance loans or personal loans thus providing flexibility to gold loans.

The Gold Loan Market in India is the biggest market in the world probably due to large demand of gold by the Indians. Every year India imports around 900 tonnes of gold for consumption and it has the largest gold stock of 22000 tonnes which is privately held by domestic households and temples. The low income groups in India are the major customers of gold loan. Century's old practice of lending money against security of gold has been continuing in India in an unorganized manner. Farmers buy gold during the months of prosperity and stock it in the form of jewellery and ornaments and then pledge it during tough times to meet their financial requirements. This peculiar phenomenon in India has given rise to the gold loan market.

Gold Loan NBFCs are poised for a healthy growth as they enter into a stable regulatory regime. New NBFC entrants into the market were the worst affected by the regulatory uncertainty and their inability to manage their asset quality in the scenario of declining gold prices. Several players exited the market while a few others significantly reduced their exposure in the segment. Banks are adopting a cautious approach. Working capital fund is available to Gold Loan Companies at lower rates now since Banks have reduced their lending rates. All these augurs well for pure-play Gold Loan NBFCs such as Nalin Lease Finance Limited. Presently only a small percentage of gold jewellery owned by Indians is pledged for loans. This aspect offers attractive long term growth prospects for Gold Loan NBFCs.

Automobiles

As per data, released by the Society of Indian Automobile Manufacturers (SIAM), the automobile industry produced a total 2,90,75,605 vehicles, including passenger vehicles, commercial vehicles, three-wheelers, two-wheelers and quadricycle in April-March 2018, against 2,53,30,967 in April-March 2017, registering a growth of 14.78% over the corresponding period of the previous year. The combination of higher economic growth coupled with two successive favourable monsoons, which will boost farm income, are the leading factors that are expected to drive growth in the automobile sector, in the near future. According to ICRA, while the two-wheeler industry grew by a moderate 6.9% in FY2017, the performance began to pick up with a growth of 9.2% in the first four months of FY2018 over the corresponding period of the previous year. The rating agency attributed this revival in the domestic two wheeler industry to healthy wholesale demand, post regulatory changes and tax reforms. ICRA expects domestic volumes to grow by 8-10% during FY2018 on the back of improved rural and urban sentiments. The market for relatively short term loans for two-wheelers is also expected to grow concomitantly.

Strengths:

Core focus:

The Company is concentrating on ensuring customer delight through providing better and faster customer service at their door steps. The main focus of the Company is to provide gold



loans at competitive rates. The Company offers different schemes to meet the varied requirements of its Customers.

Widespread network:

The Customers of the Company are typically retail Customers, small business men, vendors, traders, farmers and salaried individuals who for reasons of convenience, access or necessity, avail of the credit facilities by pledging their gold with NBFCs rather than taking loans from Banks and other financial institutions. For rural population it is a means to get quick liquidity to meet emergency expenses. The presence in rural and semi urban area gives the Company an added advantage in providing timely credit to potential Customers.

Experienced Professional Management Team and skilled work force:

The Company has an experienced professional management team and work force. The deep industry knowledge and the loyalty of management professionals provide the Company with a distinct competitive advantage.

Transparent and standard operating practices:

The Company follows a transparent policy, capturing all the terms clearly in the loan document and operates with standard operating procedures, providing better customer comfort.

Opportunities:

Large Untapped market:

The Indian households hold a huge quantity of gold in the form of jewellery/ ornaments/ coin/ bars. Traditionally, gold loans were a source for meeting unexpected expenses and certain household social obligations. Jewellery was also pledged to bridge the liquidity requirements while acquiring residential properties. However, in recent years gold loans have also emerged as an acceptable source of short term working capital finance for small businesses. The rapid expansion drive of specialized gold loan companies has been one of the key facilitating factors for this phenomenon.

The demand for gold loans has witnessed a strong growth as a result of the targeted promotion by gold loan companies. The predominant customer base for gold loans continue to be farmers, low and lower middle income groups in urban areas, who resort to pledging gold to meet urgent personal and business needs. During recent years, business community has also started to avail gold loans for meeting their short term working capital requirements. This helps to broaden the reach of gold loans. It is expected that there will be considerable improvement in the performance of the established gold loan Companies in the future.

Threats:

Competition:

There is strict competition among gold loan companies resulting in price war. There is also competition from banks and the unregulated unorganized sector which has more flexibility in their operation.

Fall in gold price:

Even though the Company ensures suitable risk management system against fall in gold prices, a steep fall in gold prices can adversely affect the performance of the Company.

**Interest rate risk:**

If the Company fails to manage its interest rate risk in the future it could have an adverse effect on its net margin, thereby adversely affecting its business and financial condition.

Adverse regulatory changes and Government policies:

Any adverse change in the regulatory frame work and Government policies in future, may affect the performance of the Company.

Expected outlook on the sector

Going forward, the gold loan market is expected to regain some of its lost sheen even as the growth rate is expected to be slower than that experienced during the period of rapid expansion (FY2007 to 2012). The gold loan market is expected to grow between 13 to 15 percent over the next three years and reach a market size of Rs.2100-2250 billion by FY 20. The key enabling factors are a stable and neutral regulating regime for specialised Gold Loan NBFCs, a reduced but sustained focus of commercial banks in the sector, reversal in gold prices and attractive risk adjusted returns on gold loan. The key risks to the growth projections remain any abrupt and large downward revision in gold prices and any further tightening of the regulatory environment for NBFCs.

In the medium term (for the next 2 years) it is expected that the specialised Gold Loan NBFCs are well poised to grow. The overall regulatory environment is currently neutral for specialised Gold Loan NBFCs and expected to continue to be stable. Further, competition from banks can be expected to be subdued as public sector banks grapple with a weak credit demand and stress in their asset quality. For the next two years it is expected that the market share of gold loan NBFCs will increase steadily.

Financial/Operational Performance compared with the previous year

Revenue from Operations	:	Increased by 31.47% to Rs. 3,53,15,610
Other Income	:	Decreased by 83.62% to Rs. 67,829
Total Revenue	:	Increased by 29.72% to Rs. 3,53,83,439
Employee Benefit Expenses	:	Increased by 7.19% to Rs. 55,85,929
Finance Cost	:	Increased by 445.32% to Rs. 76,63,422
Depreciation and Amortisation	:	Decreased by 26.66% to Rs. 6,35,372
Other Expenses	:	Decreased by 4.27% to Rs. 50,78,455
Total Expenses	:	Increased by 55.41% to Rs. 2,11,61,804
Profit before Tax	:	Increased by 3.36% to Rs. 1,41,20,646
Profit after Tax	:	Increased by 9.34% to Rs. 1,01,29,445
Earnings per Equity Share	:	Increased by 9.51% to Rs.3.11

Place: - Himatnagar

Dated: 22.05.2018

For and on behalf of the Board
sd/-

Dilipkumar Nalinkant Gandhi
Managing Director
DIN: 00339595



Annexure I

DETAILS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2016 dated June 30, 2016 ("Amended Managerial Remuneration Rules, 2016").

(i) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary if any, in the financial year.

The percentage increase in remuneration of the Directors in FY 2017-18 is, given below:

Sr. No.	Name of Director/KMP	% increase in remuneration in FY 2017-18
1.	Mr Narendrakumar D Shah	---
2.	Mr Dilipkumar N Gandhi	8.57%
3.	Mr. Harsh D Gandhi	13.04%
4..	Mrs Pallaviben D Gandhi	11.54%
5.	Mr Navinchandra C Soni	----
6.	Mr Samirkumar K Shah	-----
7.	Mrs. Swati A Shah	NIL
8.	Mr. Nikulkumar K Patel	22.22%

(ii) The percentage increase in the median remuneration of employees in the financial year;

There is an increase in the median remuneration of employees in FY 2017-18 by 11.04% as compared to FY 2016-17.

(iii) The number of permanent employees on the rolls of company;

The permanent employees on the rolls of the Company as on March 31, 2018, were 05.

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentage increase in the salaries of employees other than that of managerial personnel is 11.04% as compared to that of the percentage increase in the overall managerial remuneration of 10.71%.

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Place: - Himatnagar
Dated: - 22.05.2018

For and on behalf of the Board
sd/-
Dilipkumar Nalinkant Gandhi
Managing Director
DIN: 00339595



Annexure II

FORM NO. AOC -2**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered by the company during the year ended March 31, 2018, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

SI No	Name (s) of the Related Party	Nature of Arrangements & Nature of Relationship	Duration of the Arrangements	Salient terms of the Arrangements	Date of approval by the Board/EGM	Amount paid as advances, if any (₹)
1	Mr. Dilipkumar Nalinkant Gandhi	Rent	1 Year	As per Rent Agreement entered between the Company and premise owner Mr. Dilipkumar Nalinkant Gandhi	06.06.2017	NIL
		Unsecured Loan taken	9 months	Director has given Unsecured loan to Company	06.06.2017	NIL
		Interest	9 months	Company has paid interest on Unsecured Loan	06.06.2017	NIL
2	Mr. Harsh Dilipkumar Gandhi	Rent	1 Year	As per Rent Agreement entered between the Company and Mr. Harsh Dilipkumar Gandhi	06.06.2017	NIL
		Unsecured Loan taken	9 months	Director has given Unsecured loan to Company	06.06.2017	NIL
		Interest	9 months	Company has paid interest on Unsecured Loan	06.06.2017	NIL

Place: - Himatnagar
Dated: - 22.05.2018

For and on behalf of the Board
sd/-
Dilipkumar Nalinkant Gandhi
Managing Director
DIN: 00339595



Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Nalin Lease Finance Limited
Gandhi Nursing Home Bldg, Dr. Nalinkant Gandhi Road
Himatnagar, Gujarat-383001

I, Amrish N. Gandhi, Company Secretary, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nalin Lease Finance Limited [CIN: L65910GJ1990PLC014516]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under; **(Not applicable to the Company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -

- (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the period)**
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable during the period)**
- g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period).**
- (vi) As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934 applicable to Non-Banking Financial Companies (Non Deposit Accepting or Holding) are specifically applicable to the Company:
- Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015;
 - Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008 and Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
 - Reserve Bank of India (Non-Banking Financial Companies) Returns Specifications, 1997 and Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;
 - Guidelines for Asset-Liability Management (ALM) system in Non-Banking Financial Companies;
 - Frauds- Future Approach towards monitoring of Frauds in Non-Banking Financial Companies and Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016;

- g. Know Your Customer (KYC) Guidelines- Anti Money Laundering Standards and Know Your Customer (KYC) Direction, 2016;
- h. Fair Practices Code;
- i. Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015;
- j. Regulation of excessive interest charged by NBFCs;
- k. Miscellaneous Instructions to all Non-Banking Financial Companies and Miscellaneous Instructions to NBFC-ND-SI;

(vii) The Prevention of Money Laundering Act, 2002 and the Regulations and Bye-laws framed there under.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretary of India;
- (ii) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period there were no instances of:

- i. Public / Preferential issue of shares / debentures / sweat equity;



- ii. Redemption / buy-back of securities;
- iii. Major decisions taken by the members in pursuance to Section 180 of the Act;
- iv. Merger / amalgamation / reconstruction etc;
- v. Foreign technical collaborations.

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

For **Amrish Gandhi & Associates**
Company Secretary

Place: Ahmedabad
Date: 22nd May, 2018

Amrish Gandhi
FCS No: 8193 CP No: 5656



Annexure A

To
The Members
Nalin Lease Finance Limited
Gandhi Nursing Home Bldg
Dr.Nalinkant Gandhi Road
Himatnagar
Gujarat-383001

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2018 but before issue of the Report.

For **Amrish Gandhi & Associates**
Company Secretary

Place: Ahmedabad
Date: 22nd May, 2018

Amrish Gandhi
FCS No: 8193 CP No: 5656



Annexure IV

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2018**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L65910GJ1990PLC014516
ii)	Registration Date	11/10/1990
iii)	Name of the Company	NALIN LEASE FINANCE LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by share
v)	Address of the Registered office and contact details	GANDHI NURSING HOME BLDG DR.NALINKANT GANDHI ROAD HIMATNAGAR-383001
vi)	Whether listed company	Yes-Listed
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINKINTIME (INDIA) PRIVATE LIMITED C-101,247 Park, L.B.S.Marg, Vikhroli(West), Mumbai 400 083 Phone: +91-22-49186000 Fax: +91-22- 49186060 www.linkintime.co.in e-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY –

SL No	Name and Description of main products/ services	NIC Code of the Product/Service	% to total turnover of the company
1	Financial Services	6492	95.16%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

Sr. no	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1)	AMEE FINANCE LIMITED Address : GANDHI NURSING HOME BUILDING DR. NALINKANT GANDHI ROAD HIMATNAGAR, GUJARAT INDIA - 383001	U65923GJ1996PLC028768	Associate (Control of Business decisions)	2(6)
2)	GANDHI SHROFF SERVICES PRIVATE LIMITED Address : GANDHI NURSING HOME BUILDING, FIRST FLOOR DR N G ROAD HIMATNAGAR, GUJARAT INDIA - 383001	U74140GJ1992PTC018361	Associate (Control of Business decisions)	2(6)
3)	NALIN CONSULTANCY SERVICES LIMITED Address : GROUND FLOOR GANDHI NURSINGHOME BLDG DR NALINKANT GANDHI ROAD HIMATNAGAR, GUJARAT INDIA	U93000GJ1998PLC033695	Associate (Control of Business decisions)	2(6)
4)	NALIN SERVICES LIMITED Address : GANDHI NURSING HOME BLDGDR NR GANDHI ROAD HIMATNAGAR, GUJARAT INDIA - 383001	U15118GJ1996PLC030871	Associate (Control of Business decisions)	2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1059538	0	1059538	32.48	1210614	0	1210614	37.11	+4.63
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub- Total (A) (1)	1059538	0	1059538	32.48	1210614	0	1210614	37.11	+4.63
(2) Foreign									
a) NRIs - Individual	0	0	0	0	0	0	0	0	0
b) Other - Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp-	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	1059538	0	1059538	32.48	1210614	0	1210614	37.11	+4.63
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B) (1) :-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	225598	182100	407698	12.4984	316606	174900	491506	15.0676	+2.5692
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1778400	0	1778400	54.5187	1502379	0	1502379	46.0570	-8.4617
c) Others (specify)									



Hindu Undivided Family	2361	0	2361	0.07	4702	0	4702	0.1441	+0.0741
Non Resident Indians (Repat)	1000	0	1000	0.03	1000	0	1000	0.03	NIL
Clearing Member	10603	0	10603	0.3250	7517	0	7517	0.2304	-0.0946
Bodies Corporate	2400	0	2400	0.0736	44282	0	44282	1.3575	+1.2839
Sub-total (B) (2):-	2020362	182100	2202462	67.52	1876486	174900	2051386	62.8874	-4.6326
Total Public Shareholding (B) = (B) (1) + (B) (2)	2020362	182100	2202462	67.52	1876486	174900	2051386	62.8874	-4.6326
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3079900	182100	3262000	100	3087100	174900	3262000	100	0

B) Shareholding of Promoter-

SI No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dilipkumar N. Gandhi	620500	19.02	0	728899	22.3452	0	+3.325
2	Pallaviben D. Gandhi	180000	5.52	0	225177	6.9030	0	+1.383
3	Manali H. Gandhi	93921	2.88	0	93921	2.88	0	0
4	Gandhi Harsh D.	68117	2.09	0	68117	2.09	0	0
5	Dilipkumar N. Gandhi HUF	27000	0.83	0	27000	0.83	0	0
6	Dr Nalinkant Gandhi HUF (Dilipkumar Nalinkant Gandhi-Karta)	26500	0.81	0	26500	0.81	0	0
7	Rupalben D. Gandhi	15500	0.48	0	15500	0.48	0	0
8	Urviben D. Gandhi	15500	0.48	0	15500	0.48	0	0
9	Falguniben K. Shah	10000	0.31	0	10000	0.31	0	0
10	Bhartiben M. Shah	2500	0.08	0	0	0	0	-0.08
	Total	1059538	32.48	0	1210614	37.11	0	+4.63

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1059538	32.48		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	*18.04.2017 46,177 On Market Purchase *21.04.2017 23,599 On Market Purchase *06.11.2017 53,800 On Market Purchase *17.11.2017 2,500 On Market Sale *12.03.2018 30,000 On Market Purchase	4.63	1210614	37.11
3	At the end of the year	1210614	37.11		

**D). Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	KARAMJIT SINGH	0	0	86924	2.6647	+2.6647
2	SANJAYKUMAR SEVANTILAL SHAH	0	0	61581	1.8878	+1.8878
3	SONI KARTAVYA NAVINCHANDRA	60900	1.87	60900	1.867	0
4	SANJAYKUMAR SARAWAGI	1521	0.4662	54521	1.6714	+1.205
5	PATEL KUNDAN MUKESHBHAI	53200	1.6309	53200	1.6309	0
6	PATEL REKHABEN HEMANTKUMAR	53000	1.6248	53000	1.6248	0
7	PATEL VARSHABEN KETANKUMAR	51900	1.59	51900	1.591	0
8	SOLANKI SUNILKUMAR KALYAN	51800	1.588	51800	1.588	0
9	PRAKASHKUMAR A PRAJAPATI	51400	1.5757	51400	1.5757	0
10	PATEL MUKESHBHAI RAMJIBHAI	51400	1.5757	51400	1.5757	0
11	KALPESHKUMAR M PATEL	50500	1.5481	50500	1.5481	0



E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	NARENDRAKUMAR DALSUKHDAS SHAH -(Non-Executive Independent Director)				
	At the beginning of the year	2500	0.08	2500	0.08
	At the end of the year	2500	0.08	2500	0.08
2.	DILIPKUMAR NALINKANT GANDHI -(Managing Director and KMP)				
	At the beginning of the year	620500	19.02	620500	19.02
	At the end of the year	728899	22.3452	728899	22.3452
3.	PALLAVI DILIPKUMAR GANDHI -(Whole time Director and KMP)				
	At the beginning of the year	180000	5.52	180000	5.52
	At the end of the year	225177	6.9030	225177	6.9030
4.	HARSH DILIPKUMAR GANDHI -(Whole time Director and KMP)				
	At the beginning of the year	68117	2.09	68117	2.09
	At the end of the year	68117	2.09	68117	2.09
5.	NAVINCHANDRA CHANDULAL SONI -(Non-Executive Independent Director)				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
6.	SAMIRKUMAR KANTILAL SHAH-(Non-Executive Independent Director)				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
7.	SWATI AJAY SHAH-(Company Secretary and KMP)				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
8.	NIKULKUMAR KANTIBHAI PATEL-(C.F.O (KMP))				
	At the beginning of the year	49500	1.52	49500	1.52
	At the end of the year	49500	1.52	49500	1.52



V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,95,63,270	1,80,00,000	-	3,75,63,270
ii) Interest due but not paid	0	0	-	0
iii) Interest accrued but not due	12,07,158	1,98,151	-	14,05,309
Total (i+ii+iii)	2,07,70,428	1,81,98,151	-	3,89,68,579
Change in Indebtedness during the financial year				
* Addition	58904643	0	-	+58904643
* Reduction	0	16379566	-	-16379566
Net Change	+58904643	-16379566	-	42525077
Indebtedness at the end of the financial year				
i) Principal Amount	7,38,30,234	0	-	7,38,30,234
ii) Interest due but not paid	0	0	-	
iii) Interest accrued but not due	58,44,837	18,18,585	-	76,63,422
Total (i+ii+iii)	7,96,75,071	18,18,585	-	8,14,93,656

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.NO.	Particulars of Remuneration	Name of MD/WTD/ Manager			
		Dilipkumar Nalinkant Gandhi (Managing Director)	Pallavi Dilipkumar Gandhi (Whole-Time Director)	Harsh Dilipkumar Gandhi (Whole-Time Director)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,20,000	11,60,000	10,40,000	37,20,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Fee for attending Board/Committee Meetings	0	0	0	0
3	Stock Option	0	0	0	0
4	Sweat Equity	0	0	0	0
5	Commission - as % of profit	0	0	0	0
6	Others, please specify(OFFICE/FURNITURE RENT)	9,53,400	0	1,80,000	11,33,400
	Total (A)	24,73,400	11,60,000	12,20,000	48,53,400



B. Remuneration to other directors

Sr. no.	Particulars of Remuneration	Name of Directors			Total Amount
		
1.	Independent Directors				
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 				
	Total (1)				
2.	Other Non-Executive Directors	Narendra Kumar Dalsukhdas Shah	Navin Chandra Chandulal Soni	Samir Kumar Kantilal Shah	
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	0	0	0	0
	Total (2)	0	0	0	0
	Total (B) = (1 + 2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0

C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Ms. SWATI AJAY SHAH (Company Secretary)	Mr. NIKULKUMAR KANTIBHAI PATEL (Chief Financial Officer)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,20,000	2,64,000	3,84,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit	0	0	0
5	Others, please specify	0	0	0
	Total	1,20,000	2,64,000	3,84,000

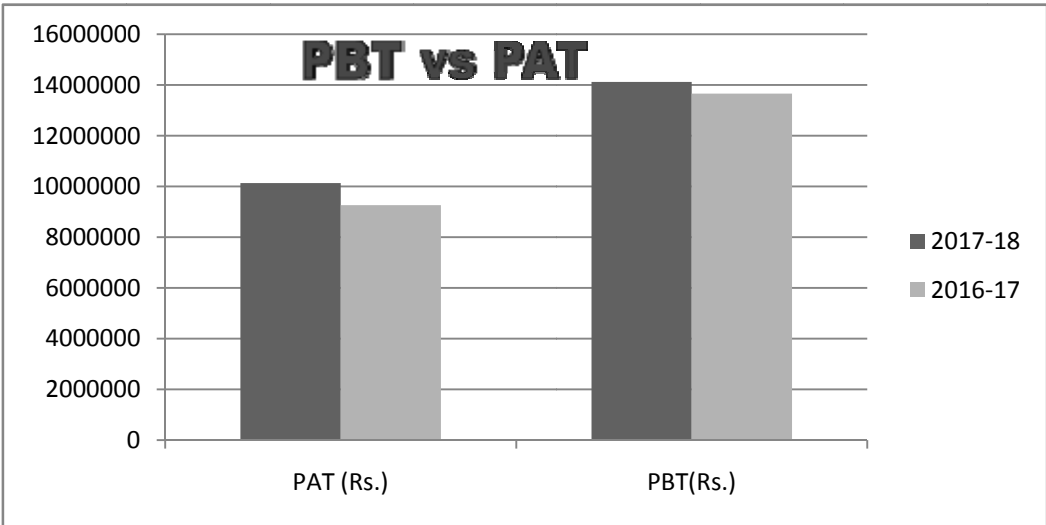
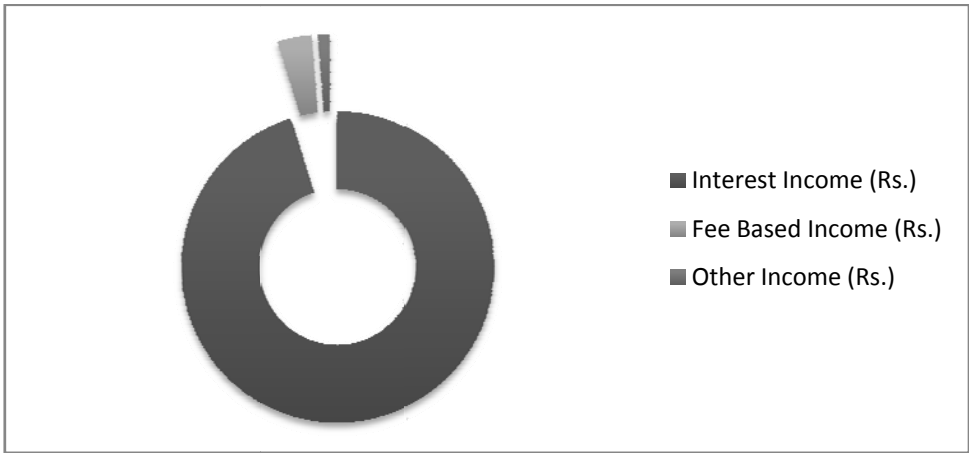
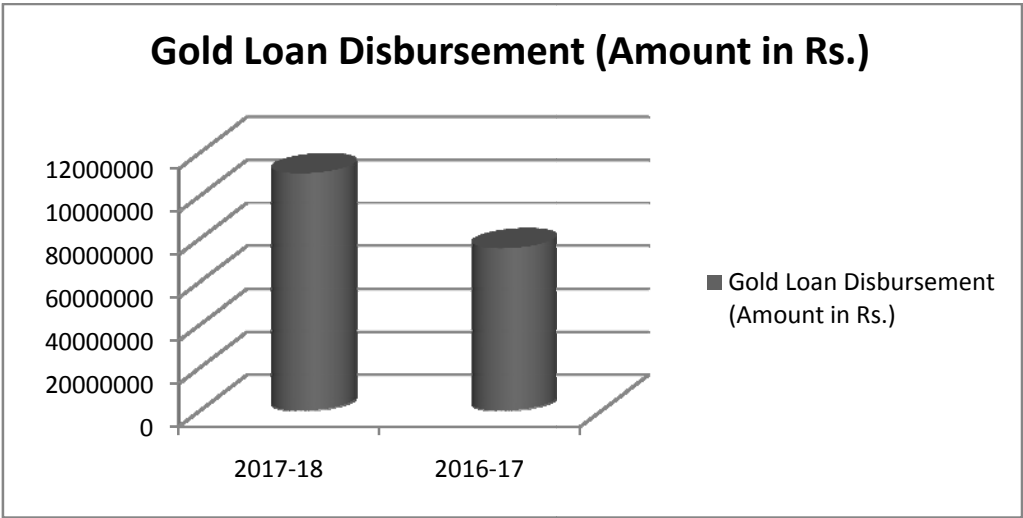
**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Place: - Himatnagar
Dated: - 22.05.2018

For and on behalf of the Board
sd/-
Dilipkumar Nalinkant Gandhi
Managing Director
DIN: 00339595

FINANCIAL INDICATORS





CERTIFICATE ON COMPLIANCE OF CONDITION OF CORPORATE GOVERNANCE

To,
The Members
Nalin Lease Finance Ltd., Himatnagar.

We have examined the compliance of conditions of corporate Governance by NALIN LEASE FINANCE LIMITED for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015")

We have examined the compliance of conditions of corporate Governance by NALIN LEASE FINANCE LIMITED for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015")

In our opinion and to the best of our information and according to the explanations give to us, we certify that the Company has complied with the conditions of the corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of One month against the Company as per reports maintained by the Shareholders/ investors' Grievance committee.

We further state that such compliance is neither assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Amrish N. Gandhi
Practicing Company Secretary
Membership No. F8193
Certificate of Practice No.: 5656

Date: 22/05/2018
Place: Himatnagar



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
NALIN LEASE FINANCE LTD.
Himatnagar

Report on the Financial Statements

We have audited the accompanying financial statements of NALIN LEASE FINANCE LTD. ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters to be included in the Auditor's Report and in accordance with rule 11 of the companies (Audit & Auditors) Rule 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial positions
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, Paresh Thothawala & Co.
Chartered Accountants
Firm Reg. No. 114777W

CA Paresh Thothawala
Partner
Membership No. 048435

Date: 22/05/2018
Place: Himatnagar

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

3 (i) (a)	In our opinion the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b)	The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
(c)	According to the information and explanation given to us and based on the examination of the registered sale deed/transfer deed/conveyance deed/other corroborative evidence provided to us, we report that, the title deeds, comprising all the immovable properties of land and building which are freehold, we held in the name of the company as at the balance sheet date. The company had not entered in to any lease till the end of the financial year.
3(ii)(a)	The Company is a finance company and it does not hold any physical inventories except stationery & Adhesive Stamp. Hence paragraph 3(ii) of the Order is not applicable.
(b)	In our opinion and based on information provided to us, no material discrepancies were noticed and in the absence of the same, commenting on dealing with the books of accounts does not arise
3 (iii)	Based on information given to us during the year the company has not granted any loans, secured or unsecured loan to any party covered in the register maintained under Section 189 of Companies Act, 2013.



3 (iv)	Based on information given to us during the year the company has not granted any loans, investments, guarantees and securities to any party as specified under Section 185 and 186 of Companies Act, 2013.
3 (v)	<p>In our opinion, the company has not accepted deposits. Hence commenting on the following does not arise.</p> <p>The company's compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, wherever applicable</p> <p>The nature of contraventions</p> <p>Whether any order has been passed by the Company Law Board or National Company Law Tribunal and the company's compliance with the same</p>
3 (vi)	To the best of our knowledge and explanation given to us, the provision of maintenance of cost records under sub-section (1) of section 148 of the Act is not applicable to the company.
3 (vii)(a)	In our opinion and according to information and explanation given to us and according to records of the company, the company has been regular in depositing undisputed statutory dues including Provident fund, Employee's state insurance, Income Tax, Sales Tax, Goods & Service Tax, Service Tax, Duty of customs, Duty of Excise, Value added tax, cess and other material statutory dues with the appropriate authorities. There is not arrears of statutory dues as at 31 st March 2018 which are outstanding for a period of more than 6 Months from the date they becomes payable.
(b)	According to the information and explanations given to us, there are no material dues of income-tax, sales tax, service tax, duty of customs and excise and cess which have not been deposited with the appropriate authorities on account of any dispute.
3 (viii)	In our opinion and based on information given to us, the company has not defaulted in repayment of dues to the banks.
3 (ix)	During the year under Audit the Company has not raised moneys by way of IPO or Further Public Offer including debts instruments and term loans.
3 (x)	According to the information and explanations given to us, No fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
3 (xi)	In our opinion, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
3 (xii)	As the company is not Chit Fund/ Nidhi/ Mutual Benefit Fund/Society to which the provisions of special statute relating to Nidhi Company/Chit Fund are applicable, and hence such clause is not applicable.
3(xiii)	Based upon the audit procedure performed and according to the information and explanation given to us, All transactions with related parties are in compliance with section 177 and 188 of the act where applicable and the details have been specified in Note no. 28 of the financial statements of the company.



3(xiv)	The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review hence this para is not applicable.
3(xv)	The company had not entered into any non-cash transactions with the directors or persons connected with him, under section 192 of the Act.
3(xvi)	The Company is registered with RBI as NBFC and has Certificate of registration bearing No. 01.00242 under Section 45IA of the Reserve bank of India Act 1934.

For, Paresh Thothawala & Co.
Chartered Accountants
Firm Reg. No. 114777W

CA Paresh Thothawala
Partner
Membership No. 048435

Date: 22/05/2018
Place: Himatnagar



"Annexure B" to the Independent Auditor's Report of the even date of the Standalone Financial Statements of NALIN LEASE FINANCE LIMITED

(Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of NALIN LEASE FINANCE LTD)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NALIN LEASE FINANCE LTD** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Paresh Thothawala & Co.
Chartered Accountants
Firm Reg. No. 114777W

CA Paresh Thothawala
Partner
Membership No. 048435

Date: 22/05/2018
Place: Himatnagar



<u>NALIN LEASE FINANCE LIMITED</u> <u>CIN:L65910GJ1990PLC014516</u>			
AUDITED BALANCE SHEET AS AT 31ST MARCH, 2018			
PARTICULARS	NOTES	AS AT 31/03/2018 Amount in Rs.	AS AT 31/03/2017 Amount in Rs.
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDER'S FUNDS</u>			
Share Capital	"3"	3,26,20,000	3,26,20,000
Reserves And Surplus	"4"	7,59,57,990	6,58,28,545
<u>NON CURRENT LIABILITIES</u>			
Long Term Provisions	"5"	1,60,830	1,13,150
<u>CURRENT LIABILITIES</u>			
Short Term Borrowings	"6"	7,38,30,234	3,75,63,270
Other Current Liabilities	"7"	2,44,219	1,10,700
Short Term Provisions	"8"	24,80,062	20,34,810
-			
TOTAL :		18,52,93,335	13,82,70,475
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Fixed Assets			
Tangible Assets	"9"	27,88,394	39,04,770
Deferred Tax Assets (Net)	"10"	27,708	-
Long term Loans & Advances	"11"	4,02,07,521	3,23,28,698
Other Non-Current Assets	"12"	18,489	18,489
<u>CURRENT ASSETS</u>			
Inventories	"13"	1,42,484	1,48,884
Cash & Cash Equivalent	"14"	10,54,671	43,17,184
Short term Loans & Advances	"11"	14,06,88,706	9,74,70,539
Other Current Assets	"15"	3,65,361	81,910
-			
TOTAL :		18,52,93,335	13,82,70,475
Statement of Significant Accounting Policies	"2"		

Notes on accounts form part of the financial statements

As Per Our Report on Even Date
For Paresh Thothawala & Co.
Chartered Accountant
FRN: 114777W

Paresh K. Thothawala
Partner
M.No. 048435
Place: Himantnagar
Date: 22.05.2018

(S.A.Shah)
Company Secretary

(N.K.Patel)
Chief Financial Officer

For and on behalf of the board
N.D Shah Chariman
D.N.Gandhi Managing Director
H.D.Gandhi Director
P.D.Gandhi Director
N.C.Soni Director
S.K.Shah Director

Place: Himantnagar
Date: 22.05.2018



NALIN LEASE FINANCE LIMITED
CIN:L65910GJ1990PLC014516

AUDITED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2018

PARTICULARS	NOTES	Year Ended 31/03/2018 Amount in Rs.	Year Ended 31/03/2017 Amount in Rs.
<u>INCOME</u>			
Revenue from Operations	"16"	3,53,15,610	2,68,63,823
Other Income	"17"	67,829	4,13,991
		3,53,83,439	2,72,77,814
<u>EXPENDITURE</u>			
Employee Benefits Expenses	"18"	55,85,929	52,11,000
Financial Costs	"19"	76,63,422	14,05,309
Depreciation and Amortisation	"9"	6,35,372	8,66,295
Loan Losses and Provisions	"20"	21,98,626	8,29,746
Other Expenses	"21"	50,78,455	53,04,427
		2,11,61,804	1,36,16,778
Exceptional & Extra Ordinary Items	"22"	1,00,989	-
PROFIT / (LOSS) BEFORE TAX		1,41,20,646	1,36,61,036
Provision for Current Taxes		39,46,125	43,95,143
Provision for Deferred Taxes		(27,708)	-
Income Tax of earlier years		72,784	1,350
PROFIT / (LOSS) AFTER TAX		1,01,29,445	92,64,543
PROFIT / (LOSS) FOR THE YEAR		1,01,29,445	92,64,543
Basic / Dilluted Earning Per Share(Rs.)	"23"	3.11	2.84
Statement of Significant Accounting	"2"		

Notes on accounts form part of the financial statements

As Per Our Report on Even Date

For Paresh Thothawala & Co.

Chartered Accountant

FRN: 114777W

Paresh K. Thothawala

Partner

M.No. 048435

Place: Himantnagar

Date: 22.05.2018

(S.A.Shah)

Company Secretary

(N.K.Patel)

Chief Financial Officer

For and on behalf of the board

N.D Shah Chariman

D.N.Gandhi Managing Director

H.D.Gandhi Director

P.D.Gandhi Director

N.C.Soni Director

S.K.Shah Director

Place: Himantnagar

Date: 22.05.2018

**NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE PERIOD ENDED ON MARCH 31, 2018**

Notes to Financial Statements for the Year Ended on March 31, 2018.

Note 1 Corporate Information

Nalin Lease Finance Limited ('NLFL' or 'the company') was incorporated on October 11, 1990 in Himatnagar, Gujarat. The company is a Non-Banking Finance Company ('NBFC'), which provides a wide range of fund based services including gold loans, vehicle loans, business loans etc.

Note 2 Basis of Preparation of Financial Statements

"The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Reserve Bank of India as applicable to a Non-Deposit accepting NBFC ('NBFC-ND'). The financial statements have been prepared on an accrual basis and under the historical cost convention, except for interest and discounts on non-performing assets which are recognized on realization basis."

All assets and liabilities have been classified as current or non – current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change required.

2.1 Summary of significant accounting policies**a. Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible fixed assets

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses, if any. Cost of assets comprise of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost

of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets. Individual Assets whose actual cost does not exceed Rs. 5,000/- are fully depreciated in the year of purchase.

c. Depreciation on fixed assets

Depreciation on fixed assets is provided on Straight Line Method at Cost on Pro-data basis at following rates, which is management's estimate of the useful lives of the assets.

Nature of Assets	Useful life in years
Computer Equipment	3
Office Equipment*	3
Buildings	60
Furniture & Fixtures	10
Vehicles	8
Air Conditioners	10

*The company has estimated useful life which is different from schedule II useful life based on technical advice obtained by the management.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

d. Intangible assets & its Amortization

Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

e. Borrowing costs

Borrowing costs attributable to acquisition and/or construction of qualifying assets as defined in Accounting Standard – 16 on “Borrowing Cost” are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended purpose. All other Borrowing Costs are charged to revenue.

f. Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

g. Inventories

"Stock of consumables, components, stores and spares are valued at lower of cost and net realizable value. However, consumables and other items held for use in the providing service are not written down below cost if the services in which they will be utilised are expected to be provided at or above cost. Cost of Stock of consumables, components and stores and spares is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale."

h. Revenue recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization of collection. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or otherwise, the company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Interest income on loans given is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Such interests, where instalments are overdue in respect of non-performing assets are recognized on realization basis. Any such income recognized and remaining unrealized after they become overdue in respect of secured and unsecured loans are reversed.

All other charges such as cheque return charges, overdue charges etc are recognized on realization basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

Revenues from fee-based activities are recognized as and when services are rendered.

i. Retirement and other employee benefits**Short-Term Benefits**

"Short term employee benefits are recognized as an expense at the undiscounted amount in profit & Loss Account of the year in which related service is rendered."

Post Retirement Benefits

As per applicable laws the company is not mandatorily required to make necessary provisions for retirement benefits. Therefore the company has not formulated any specific terms of employment for specific requirement benefits.

j. Foreign Currency Transactions

1. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in

foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit or Loss.

2. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

k. Investments

Investments are classified into current and non-current investments. Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, separately for each individual non-current investment.

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Non-current investments"

l. Income taxes

"Provision for tax is made for both Current and Deferred taxes.

Provision for current income tax is made on current tax rates based on assessable income in accordance with the provision of the Income Tax Act, 1961.

Deferred Tax Assets and Deferred Tax Liabilities are recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future."

m. Earnings per Share

"Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of

shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares."

n. Provisions

"i) A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement."

ii) Provision policy for gold loans and other loan portfolios

Secured loans/Others loans are classified / provided for, as per management's best estimates, subject to the minimum provision required as per master direction-Non banking Financial Company -Systemically important Non-deposit taking Company and Deposit taking company (Reserve Bank) Directions, 2016.

Others loans are classified / provided for, as per management's best estimates, subject to the minimum provision required as per master direction-Non banking Financial Company -Systemically important Non-deposit taking Company and Deposit taking company (Reserve Bank) Directions, 2016.

o. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**p. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

q. Surplus on auction of pledged gold

The Company has a policy of refund of any surplus that arises on auction of pledged gold which has been repossessed by the company in accordance with the terms of the agreement with the customers.

Notes on accounts form part of the financial statements

As Per Our Report on Even Date
For Paresh Thothawala & Co.
Chartered Accountant
FRN: 114777W

Paresh K. Thothawala
Partner
M.No. 048435
Place: Himantnagar
Date: 22.05.2018

(S.A.Shah)
Company Secretary

(N.K.Patel)
Chief Financial Officer

For and on behalf of the board
N.D Shah Chariman
D.N.Gandhi Managing Director
H.D.Gandhi Director
P.D.Gandhi Director
N.C.Soni Director
S.K.Shah Director

Place: Himantnagar
Date: 22.05.2018



NALIN LEASE FINANCE LIMITED				
CIN:L65910GJ1990PLC014516				
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018				
(Pursuant to the Listing Agreement with Stock Exchange)				
<i>Particulars</i>	<i>For the year ended on 31st March 2018</i>		<i>For the year ended on 31st March 2017</i>	
	<i>Amount in Rs.</i>	<i>Amount in Rs.</i>	<i>Amount in Rs.</i>	<i>Amount in Rs.</i>
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		1,41,20,646		1,36,59,686
Adjustment For :				
Depreciation and Amortisation	6,35,372		8,66,295	
Interest on Fixed Deposits	(67,829)		(4,13,672)	
Finance Costs	76,63,422		14,05,309	
Loss on sale of Fixed Assets	1,00,989		-	
Loan Loss and Provisions	-		4,54,224	
		83,31,954		23,12,157
Operating Profit before Working Capital Changes		2,24,52,600		1,59,71,843
Adjustment For Changes in Working Capital:				
(Increase) / Decrease in Other Current Assets	(2,83,451)		(8,52,387)	
(Increase) / Decrease in Inventories	6,400		55,106	
Increase / (Decrease) in Other Current Liabilities	1,33,519		50,790	
Increase / (Decrease) in Long Term Provision	47,680		-	
Increase / (Decrease) in Short Term Provision	4,45,252		1,81,849	
		3,49,400		(5,64,643)
Tax Paid (net of refunds)	(40,18,909)		(43,95,143)	
Finance Costs Paid	(76,63,422)		(14,05,309)	
		(1,16,82,331)		(58,00,452)
(Increase) / Decrease in Receivables under Financing Activity	(5,10,96,991)		(4,50,02,251)	
		(5,10,96,991)		(4,50,02,251)
NET CASH FLOW FROM OPERATING ACTIVITIES A		(3,99,77,322)		(3,53,95,503)
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(8,800)		(1,28,447)	
Proceeds of Sale of Assets	3,88,815		-	
Interest Received on FD	67,829		4,13,672	
		4,47,844		2,85,225
NET CASH FLOW FROM INVESTING ACTIVITIES B		4,47,844		2,85,225
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Short Term Borrowing	3,62,66,964		2,74,62,249	
		3,62,66,964		2,74,62,249
NET CASH FLOW FROM FINANCING ACTIVITIES C		3,62,66,964		2,74,62,249
NET INCREASE / (DECREASE) IN CASH & CASH EQU A+B+C		(32,62,513)		(76,48,029)
Cash and Cash Equivalents as at beginning of the year		43,17,184		1,19,65,214
Cash and Cash Equivalents as at end of the year		10,54,671		43,17,184

1 The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS) 3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014.

2 All figures in brackets indicate outflow.

Notes on accounts form part of the financial statements

As Per Our Report on Even Date
For Paresh Thothawala & Co.
Chartered Accountant
FRN: 114777W

(S.A.Shah)
Company Secretary

Paresh K. Thothawala
Partner
M.No. 048435
Place: Himantnagar
Date: 22.05.2018

(N.K.Patel)
Chief Financial Officer

For and on behalf of the board
N.D Shah Chariman
D.N.Gandhi Managing Director
H.D.Gandhi Director
P.D.Gandhi Director
N.C.Soni Director
S.K.Shah Director

Place: Himantnagar
Date: 22.05.2018

**Note 3: Share Capital**

Particulars	31/03/2018	31/03/2017
Authorised Capital		
37,50,000 Equity Shares of RS.10/-each	3,75,00,000	3,75,00,000
Issued & Subscribed and Paid up		
32,62,000 Equity Shares of RS.10/-each	3,26,20,000	3,26,20,000
	3,26,20,000	3,26,20,000

2.1 The details of Shareholders holding more than 5% Shares

Name of the Share Holder	As at 31st March 2018		As at 31st March 2017	
	No of Shares	% held	No of Shares	% held
Dilipkumar Nalinkant Gandhi	728899	22.35	620500	19.02
Pallaviben Dilipkumar Gandhi	225177	6.90	180000	5.52

2.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March 2018 No. of Shares	As at 31st March 2017 No. of Shares
Equity Shares at the beginning of the year	32,62,000	32,62,000
Add : Shares issued	-	-
Equity Shares at the end of the year	32,62,000	32,62,000

2.3 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having Par Value of Rs 10/- per Share. Each holder of Equity Share is entitled to one vote per share.

2.5 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of Partly Paid Equity Shares will have to contribute unpaid amount on the the Equity Shares held by them.

Note 4: Reserves & Surplus

Particulars	31/03/2018	31/03/2017
(A) GENERAL RESERVE		
Opening Balance	4,94,70,876	4,19,70,876
Add: Profit/((Loss) transferred from Profit & Loss for the year	75,00,000	75,00,000
TOTAL (A)	5,69,70,876	4,94,70,876
(B) STATUTORY RESERVE (U/S 45 IC of RBI ACT)		
Opening Balance	1,51,99,295	1,33,46,387
Add: Profit/((Loss) transferred from Profit & Loss for the year	20,25,889	18,52,909
TOTAL (B)	1,72,25,184	1,51,99,295
(C) SURPLUS FROM PROFIT & LOSS ACCOUNT		
Opening Balance	11,58,374	12,46,739
Add: Current year surplus	1,01,29,445	92,64,543
Less: Transfer to General Reserve	75,00,000	75,00,000
Less: Transfer to Compulsory Reserve	20,25,889	18,52,909
TOTAL (C)	17,61,930	11,58,374
TOTAL (A+B+C)	7,59,57,990	6,58,28,545

Additional Disclosures

As required by section 45 IC of the Reserve bank of India Act, 1934, company has to appropriated 20% of its Profits to Statutory Reserve Account

**Note 5: Long Term Provisions**

Particulars	31/03/2018	31/03/2017
Provisions for Standard Assets	1,60,830	1,13,150
	1,60,830	1,13,150

Note 6: Short Term Borrowings

Particulars	31/03/2018	31/03/2017
Loans Repayable on demand		
Cash Credit limit	7,38,30,234	-
Overdraft facility	-	1,95,63,270
From Directors	-	1,80,00,000
	7,38,30,234	3,75,63,270

A) Over Draft facility is secured against Fixed Deposits.

B) The Cash Credit facility (previous year OD Facility) is secured by charge on current assets, book debts, Loans & advances and personal guarantee of promoter directors. Further the said loan is also secured against immovable property held in the name of one of the promoter director.

C) Unsecured Loan from directors carries interest rate @ 11% which has been fully repaid during the current year.

Note 7: Other Current Liabilities

Particulars	31/03/2018	31/03/2017
Other Payables	2,44,219	1,10,700
	2,44,219	1,10,700

Note 8: Short Term Provisions

Particulars	31/03/2018	31/03/2017
Provision for Employee Benefits	-	93,500
Provisions for Standard Assets	21,34,678	14,71,184
Provisions for Sub-standard Assets	3,10,280	-
Provision for Income Tax (Net of advance tax and TDS receivable)	-	4,36,726
Other Provisions	35,104	33,400
	24,80,062	20,34,810

Movements of Provisions

	21,34,678	14,71,184
Provision for Standard Assets		
Opening Balance at the beginning of the year	15,84,334	11,30,109
Add: Net Additions During the year	7,11,174	4,54,224
Closing balance at the end of the year	22,95,508	15,84,334

Provisions for Sub-standard Assets

Opening Balance at the beginning of the year	-	-
Add: Net Additions During the year	3,10,280	-
Closing balance at the end of the year	3,10,280	-

As per RBI's direction, all NBFCs are required to make necessary provisions for standard assets. Accordingly Company has to make a [DNBR (PD) CC NO.002/03.10.001/2014-15-DATED 10.11.2014]

Note 10: Deferred Tax Assets

Particulars	31/03/2018	31/03/2017
Related to Fixed Assets	27,708	-
	27,708	-

**Note 11: Loans and Advances**

Particulars	31/03/2018	31/03/2017
<u>NON-CURRENT</u>		
<u>Secured Considered Good</u>		
Vehicle Loan	4,02,07,521	3,23,28,698
	<u>4,02,07,521</u>	<u>3,23,28,698</u>
<u>CURRENT</u>		
<u>Secured Considered Good</u>		
Vehicle Loan	3,02,54,045	2,09,78,257
Gold Loan	11,04,34,661	7,54,92,822
<u>Unsecured, Considered Goods</u>		
Business Loan	-	9,99,460
	<u>14,06,88,706</u>	<u>9,74,70,539</u>
	<u>18,08,96,228</u>	<u>12,97,99,237</u>

Note 12: Other Non Current Assets

Particulars	31/03/2018	31/03/2017
Security Deposits	18,489	18,489
	<u>18,489</u>	<u>18,489</u>

Note 13: Inventories

Particulars	31/03/2018	31/03/2017
Sp. Adhesive Stamp	1,28,984	1,00,884
Stationery Stock	13,500	48,000
	<u>1,42,484</u>	<u>1,48,884</u>

Note 14: Cash & Cash Equivalent

Particulars	31/03/2018	31/03/2017
<u>Cash & Bank Equivalent</u>		
Cash On Hand	5,39,297	75,328
Paytm Payment Application	-	17,324
Balances with Bank	5,15,374	12,24,532
<u>Other Bank Balances</u>		
In Fixed Deposits with Bank*	-	30,00,000
	<u>10,54,671</u>	<u>43,17,184</u>

*Lien mark created on Fixed deposit against OD Facility availed by the company.

Note 15: Other Current Assets

Particulars	31/03/2018	31/03/2017
Advance Tax (Net of Provision for Taxation and TDS)	2,66,803	-
Other Receivables	98,558	81,910
	<u>3,65,361</u>	<u>81,910</u>

**Note 16 : Revenue from Operations**

Particulars	31/03/2018	31/03/2017
Finance Activity:		
i) Interest Income on Hire Purchase	1,54,87,503	1,57,34,685
ii) Interest Income on Gold Loan	1,80,27,369	79,04,792
iii) Interest received on Other Loans	91,792	40,397
Other Operating Revenue:		
Late Fee Charges	12,67,619	20,00,520
Bad Debts Recoveries	44,086	89,552
Miscellaneous Charges and receipts	3,97,240	10,93,877
	3,53,15,610	2,68,63,823

Note 17 : Other Income

Particulars	31/03/2018	31/03/2017
Interest Income	67,829	4,13,672
Cash Back	-	319
	67,829	4,13,991

Note 18 : Employee Benefit Expense

Particulars	31/03/2018	31/03/2017
Salary & Conveyance	17,33,500	17,61,000
Staff Welfare Expense	1,32,429	90,000
Director Remuneration	37,20,000	33,60,000
	55,85,929	52,11,000

Note 19 : Finance Cost

Particulars	31/03/2018	31/03/2017
Interest on Unsecured Loan	18,18,585	1,98,151
Bank Interest & Commission	58,44,837	12,07,158
	76,63,422	14,05,309

Note 20 : Loan Losses and Provisions

Particulars	31/03/2018	31/03/2017
Bad Debts & Written off	11,77,172	3,75,522
Provision for Standard Assets	7,11,174	4,54,224
Provision for Sub-standard Assets	3,10,280	-
	21,98,626	8,29,746

**Note 21 : Other expenses**

Particulars	31/03/2018	31/03/2017
Advertisement & Marketing Expense	2,74,202	4,91,315
Audit Fees	1,77,000	35,000
CIBIL Charges	1,34,244	1,35,955
Demate Charges & Stock Exchnage Listing Fee	3,81,594	3,47,850
Electricity Expense	4,10,304	3,61,365
Excess Provision written off	-	58,032
Insurance Expense	2,46,173	1,41,451
Kasar & Round Off	1,570	3,07,487
Legal & Professional Fees	81,300	4,63,850
Loan Processing Charges	7,81,000	-
Office & General Expense	2,60,594	2,35,911
Office & Furniture Rent Expense	11,33,400	10,20,000
ROC Return fee	6,600	-
Repairs & Annual Maintenance Expense	2,17,818	1,29,464
Sp Adhesive Stamp Expense	2,71,900	2,96,906
Stationery, Printing & Postage Expense	3,26,921	8,49,213
Telephone Expense	1,86,288	1,97,423
Vechile & Travelling Expense	1,87,547	2,33,205
	50,78,455	53,04,427

Payment to Auditor

Particulars	31/03/2018	31/03/2017
Statutory Audit	82,600	21,000
Tax Audit	47,200	8,000
Limited Review	47,200	6,000
	1,77,000	35,000

Note 22 : Exceptional & Extra Ordinary Items

Particulars	31/03/2018	31/03/2017
Loss on sale of Fixed Assets	1,00,989	-
	1,00,989	-

Note 23 : Earning per Share

Particulars	31/03/2018	31/03/2017
i: Net Profit after tax as per Statement of Profit & Loss attributable to Equity Share Holder (A)	1,01,29,445	92,64,543
ii: Basic No of Equity Share	32,62,000	32,62,000
iii: Basic & Diluted Earnings per Share	3.11	2.84
iv: Face Value per Equity Share	10	10

Note 24 : Contingent Liability & commitments (to the extent not provided for)

Particulars	31/03/2018	31/03/2017
Contingent Liability	-	-
Commitments	-	-
	-	-



Note 25 : Expenditure in foreign currency and unhedged exposure

Particulars	31/03/2018	31/03/2017
Foreign Currency Expenditure	-	-
Unhedged Foreign Currency Exposure	-	-
	-	-

Note: 26 - Segment Reporting

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The company operates in a single geographical segment i.e. Domestic.

Note 27: Gold and Other Loan Portfolio classification and provision for Non-performing Assets. (As per RBI Prudential Norms)

Particulars	Gross Loan Outstanding		Provision for Assets		Net Loan Outstanding	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Secured Loans						
A) Gold Loan						
Standard Assets	11,04,34,661	7,54,92,822	4,41,739	2,64,225	10,99,92,922	7,52,28,597
Sub-Standard Assets	-	-	-	-	-	-
Doubtful Assets	-	-	-	-	-	-
Loss Assets	-	-	-	-	-	-
Total - A	11,04,34,661	7,54,92,822	4,41,739	2,64,225	10,99,92,922	7,52,28,597
B) HP Loans						
Standard Assets	6,73,58,766	5,33,06,955	2,69,435	1,86,501	6,70,89,331	5,31,20,454
Sub-Standard Assets	31,02,800	-	3,10,280	-	27,92,520	-
Doubtful Assets	-	-	-	-	-	-
Loss Assets	4,88,393	3,75,522	4,88,393	3,75,522	-	-
Total - B	7,09,49,960	5,36,82,477	10,68,108	5,62,023	6,98,81,852	5,31,20,454
Total - A+B	18,13,84,621	12,91,75,299	15,09,847	8,26,248	17,98,74,774	12,83,49,051
Unsecured Loans						
A) Other Loan						
Standard Assets	-	9,99,460	-	3,498	-	9,95,962
Sub-Standard Assets	-	-	-	-	-	-
Doubtful Assets	-	-	-	-	-	-
Loss Assets	6,88,779	-	6,88,779	-	-	-
Total	6,88,779	9,99,460	6,88,779	3,498	-	9,95,962

Note 9 : Non Current Assets: Fixed Assets

Particulars	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1 April 2017	Additions	Disposals	Revaluations/ (Impairments)	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation charge for the year	Adjustments	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Tangible Assets											
Air Conditioner	10,43,676	-	2,45,131	-	7,98,545	4,40,206	78,842	2,00,865	3,18,183	4,80,362	6,03,470
Furniture & Fixtures	29,45,798	-	8,90,594	-	20,55,204	15,15,009	1,95,331	7,54,128	9,56,212	10,98,992	14,30,789
Office Building	3,81,500	-	-	-	3,81,500	1,32,826	6,044	-	1,38,870	2,42,630	2,48,674
Office Equipment	40,26,978	8,800	18,51,750	-	21,84,028	34,30,780	1,50,848	15,70,116	20,11,512	1,72,516	5,96,198
Vehicles	31,64,870	-	14,95,763	-	16,69,107	21,39,231	2,04,307	14,68,325	8,75,213	7,93,894	10,25,639
Grand Total	1,15,62,822	8,800	44,83,238	-	70,88,384	76,58,052	6,35,372	39,93,434	42,99,990	27,88,394	39,04,770
Previous Year	1,14,34,375	1,28,447	-	-	1,15,62,822	67,91,757	8,66,295	-	76,58,052	39,04,770	46,42,618

**Note 28 Related Party Disclosure**

As per Accounting Standard 18, disclosures of the transactions with the related parties as defined in the Accounting Standard are given below:

A) Name of the related party and description of the relationship with whom transaction taken place:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Dilipkumar Nalinkant Gandhi Mrs. Pallaviben Dilipkumar Gandhi Mr. Harsh Dilipkumar Gandhi

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2018 and balances outstanding as at 31 March, 2018:

Nature of Transaction with Related Parties (Excluding Reimbursement)	2017-18		2016-17	
	Transaction Value	Outstanding amount carried in the Balance Sheet	Transaction Value	Outstanding amount carried in the Balance Sheet
<u>Mr. Dilipkumar Nalinkant Gandhi</u>				
Director Remuneration	15,20,000		14,00,000	
Rent	9,53,400		8,40,000	
Interest	12,36,154		1,91,370	
Unsecured Loan taken	1,47,50,000	-	1,35,00,000	1,35,00,000
<u>Mrs. Pallaviben Dilipkumar Gandhi</u>				
Director Remuneration	11,60,000		10,40,000	
<u>Mr. Harsh Dilipkumar Gandhi</u>				
Director Remuneration	10,40,000		9,20,000	
Rent	1,80,000		1,80,000	
Interest	5,82,431		6,781	
Unsecured Loan taken	1,69,80,000	-	45,00,000	45,00,000

Note: 29 In the opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities on the Company has been made.

Note: 30 Figures of previous year have been reworked/regrouped/reclassified wherever

Notes on accounts form part of the financial statements

As Per Our Report on Even Date
For Paresh Thothawala & Co.
Chartered Accountant
FRN: 114777W

Paresh K. Thothawala
Partner
M.No. 048435
Place: Himantnagar
Date: 22.05.2018

(S.A.Shah)
Company Secretary

(N.K.Patel)
Chief Financial Officer

For and on behalf of the board
N.D Shah Chariman
D.N.Gandhi Managing Director
H.D.Gandhi Director
P.D.Gandhi Director
N.C.Soni Director
S.K.Shah Director

Place: Himantnagar
Date: 22.05.2018

**NALIN LEASE FINANCE LTD.**

CIN: L65910GJ1990PLCO14516

GROUND FLOOR, GANDHI NURSING HOME BLDG., DR.NALINKANT GANDHI ROAD,
HIMATNAGAR, SABARKANTHA, GUJARAT – 383001.

TEL NO.: +91 2772 241264, 242264

Web: www.nalinfin.co.in, E-mail: nalinlease@yahoo.co.in**ANNEXURE TO THE NOTICE FOR THE 27TH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 14TH DAY OF AUGUST, 2018**

1	Name of the sole/first named member:	
2	Address of sole/first named member:	
3	Name (s) of joint member(s) if any:	
4	Registered folio no. /DP ID No. /Client ID NO.	
5	Number of shares held:	

Subject: - Process and manner for availing E-voting facility

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and **Regulation 44 of SEBI (LODR) Regulations, 2015**, the business to be transacted at the Annual General Meeting of the company to be held on Tuesday, August 14, 2018 at 4.00 may be transacted through electronic voting system and the company is providing facility for voting by electronic means. The Company has engaged the services of National Securities Depository limited (NSDL) to provide e-voting facilities. The e-voting facility is available at the link <https://www.evoting.nsdl.com>

The electronic voting particulars are set out below:

EVEN E-VOTING EVENT NUMBER	USER ID	PASSWORD / PIN
108628		

The e-voting facility will be available during the following voting period:

COMMENCEMENT OF REMOTE E-VOTING	END OF REMOTE E-VOTING
11 th August, 2018 (9.00 a.m. onwards)	13 th August, 2018 (5.00 p.m. onwards)

E-voting shall not be allowed beyond 5:00 p.m. of 13th August, 2018. During the e-voting period, shareholders of the company holding shares either in physical form or in dematerializes form, as on cut – off date may cast their vote electronically. The Company has fixed 7th August, 2018 as the cut-off date for determining voting rights of shareholders entitled to participating in the e-voting process.

Please read the instructions mentioned in the Notice of Annual General Meeting.

These details and instructions form internal part of the Notice for the Annual General Meeting to be held on 14th August, 2018.

**NALIN LEASE FINANCE LTD.**

CIN: L65910GJ1990PLCO14516

GROUND FLOOR, GANDHI NURSING HOME BLDG., DR.NALINKANT GANDHI ROAD,
HIMATNAGAR, SABARKANTHA, GUJARAT – 383001.

TEL NO.: +91 2772 241264, 242264

Web: www.nalinfin.co.in, E-mail: nalinlease@yahoo.co.in**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

27th Annual General Meeting on 14th Day of August, 2018

Full name of the members attending _____

(In block capitals)

Ledger Folio No/Client ID No _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 27th Annual General Meeting of the Nalin Lease Finance Limited, Gandhi Nursing Home Bldg Dr. Nalinkant Gandhi Road, Himatnagar, Gujarat, India-380001, on 14th August'18

(Member's /Proxy's Signature)

.....

NALIN LEASE FINANCE LTD.

CIN: L65910GJ1990PLCO14516

GROUND FLOOR, GANDHI NURSING HOME BLDG., DR.NALINKANT GANDHI ROAD,
HIMATNAGAR, SABARKANTHA, GUJARAT – 383001.

TEL NO.: +91 2772 241264, 242264

Web: www.nalinfin.co.in, E-mail: nalinlease@yahoo.co.in**Form No. MGT-11****Proxy form****[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on the 14th Day of August, 2018 at 04: 00 p.m. at **Nalin Lease Finance Limited, Gandhi Nursing Home Bldg Dr. Nalinkant Gandhi Road, Himatnagar, Gujarat, India-380001** and at any adjournment thereof in respect of such resolutions as are indicated below: -

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

.....



Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 st March, 2018		
2.	To appoint a Director in place of Mrs. Pallavi Dilipkumar Gandhi who retires by rotation and being eligible offers himself for reappointment		
3.	Appointment of M/s. Paresh Thothawala & Co., Chartered Accountants as Statutory Auditors & fixing their remuneration		

Signed this ____ day of ____ 20__

Affix Revenue Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder

-across Revenue Stamp

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

BOOK-POST

To,

If undelivered please return to :

Registered Office:

NALIN LEASE FINANCE LIMITED

Ground Floor, Gandhi Nursing Home Bldg, Dr. Nalinkant Gandhi Road,
Himatnagar-383001, Gujarat, INDIA

Phone No. +91 2772 241264, 2422264

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